

COMMITTEE ON GOVERNMENT REFORM

TOM DAVIS, CHAIRMAN

JON PORTER, CHAIRMAN, SUBCOMMITTEE ON FEDERAL WORKFORCE
AND AGENCY ORGANIZATION



NEWS RELEASE

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Davis and Porter Announce Subcommittee Approval of Three Important Civil Service Bills

*Legislation Includes Davis-Sponsored Bills to Expand Tax Breaks for
Employee Healthcare Premiums, Student Loan Repayments*

WASHINGTON, D.C. – House Government Reform Committee Chairman Tom Davis (R-VA) and Federal Workforce Subcommittee Chairman Jon Porter (R-NV) are pleased to announce the Subcommittee today unanimously approved three pieces of legislation benefiting the federal family.

The three bills are:

- H.R. 994, introduced by Davis and co-sponsored by Porter, allows retired federal employees and military personnel to pay their federal health care premiums with pre-tax dollars and provides active duty military personnel with an income tax deduction for their supplemental insurance premiums.
- H.R. 1765, the “GOFEDS” Act, also introduced by Davis and co-sponsored by Porter, allows federal employees who receive the federal student loan repayment benefit to take the benefit tax-free.
- H.R. 1283, introduced by Rep. Jim Moran (D-VA), requires federal agencies to provide tax-free transportation fringe benefits to federal employees in and around Washington, D.C., and also permits agencies to transport employees to and from mass transit stations.

“Today represents a positive step forward for federal employees, retirees and military personnel,” Davis said. “We must continue to improve the ability of the federal government to recruit, reward, and retain talented people. Expanding premium conversion and making student loan repayments tax-free are two common-sense reforms that are important benefits to the federal family.”

“These three bills represent the full range of a federal employee’s career, including retirement,” Porter said. “Taken together, these bills aid recruitment of high-level college graduates,

ease commuting for all federal employees, and relieves some of the tax burden of our retirees. The package of bills before us today represents another step by Congress in competing with the private sector to bring the best and brightest to government service.”

H.R. 994 would expand “premium conversion” – the ability to pay health care premiums with pre-tax dollars – to the entire active and retired federal family. Now, the benefit applies only to active federal civilian employees.

H.R. 1765, the “Generating Opportunities by Forgiving Educational Debt for Service Act,” expands the federal loan repayment program – under which agencies can help employees re-pay their student loans – by making the benefit tax-free. Last term, Chairman Davis’ bill raised the caps on student loan repayments from \$6,000 per year and \$40,000 total for any employee to \$10,000 per year and \$60,000 total.

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